

Message Text

UNCLASSIFIED

PAGE 01 GENEVA 04326 081926Z

63

ACTION IO-14

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-14 RSC-01

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-07

PA-04 PRS-01 SP-03 SS-20 USIA-15 CU-05 ACDA-19 SCI-06

FEA-02 AGR-20 CEA-02 COME-00 EB-11 FRB-02 INT-08

LAB-06 AID-20 CIEP-02 STR-08 TAR-02 TRSE-00 OMB-01

SWF-02 SPM-01 HEW-08 SAJ-01 DRC-01 /292 W

----- 044220

R 081810Z JUL 74

FM USMISSION GENEVA

TO SECSTATE WASHDC 6942

INFO USUN NEW YORK 632

UNCLAS GENEVA 4326

E.O. 11652: N/A

TAGS: EGEN, ECOSOC, UN

SUBJECT: 57TH ECONSOC - JULY 5TH, GENERAL DELEGATE

ITEMS 4, 6, 7, 8, AND 14 (D)

SUMMARY: SPEAKERS AT THIS SESSION WERE THE DIRECTORS GENERAL OF UNESCO AND IAEA, EXECUTIVE SECRETARIES OF ECE AND ECLA AND REPRESENTATIVES OF INDIA, MEXICO, FRANCE, SWEDEN, USSR AND ITALY.

1. UNESCO AND IAEA - EXCEPT FOR THE FACT THAT IT WAS UNESCO DIRECTOR GENERAL'S FAREWELL STATEMENT TO ECOSOC, NEITHER HIS STATEMENT NOR THAT OF IAEA CONTAINED ANYTHING NEW, BEING CONFINED TO A REVIEW OF THEIR AGENCIES ACTIVITIES OVER THE PAST YEAR.

2. ECE - ECE STATEMENT STRESSED THE INTERNATIONAL CHARACTER OF THE INFLATION NOW PLAGUING ALL

UNCLASSIFIED

PAGE 02 GENEVA 04326 081926Z

MARKET ECONOMY COUNTRIES OF ECE AND THE INCREAS-

ING TENDENCE OF INFLATION RATES IN ONE COUNTRY TO SPREAD TO ANOTHER BY VIRTUE OF THE MUCH HIGHER LEVEL OF ECONOMIC INTERDEPENDENCE WHICH HAD BEEN BUILT UP IN THE PAST TWENTY YEARS. THIS COUPLED WITH THE EXPLOSION IN WORLD COMMODITY PRICES HAD HAD THE EFFECT OF LIMITING RESOURCES AVAILABLE FOR INVESTMENT. FOR MOST DEVELOPING COUNTRIES, INCREASES IN COMMODITY PRICES HAVE PROVIDED LARGELY ILLUSORY GAINS, PARTLY RESULTING FROM THE UNEQUAL DISTRIBUTION OF COMMODITY PRODUCTION AMONG THE VARIOUS COUNTRIES AND PARTLY BECAUSE OF THE EXTREMELY ADVERSE POSITION FROM WHICH MOST COMMODITY PRODUCERS STARTED OUT THE YEAR. ADDITIONALLY THE FAILURE OF BASIC PRODUCERS TO INVEST WINDFALL GAINS HAS LAREADY HAD A DISCERNABLE EFFECT IN CONSTRICTING WORLD TRADE. IF DEVELOPED COUNTRIES FOLLOW DEFLATIONARY POLICIES IN THEIR EFFORTS TO CONTROL INFLATION, THESE EFFECTS COULD BE MULTIPLIED. IT IS AGAINST THIS BACKGROUND THAT ECOSOC MUST CONSIDER THE EVOLUTION OF A NEW GLOBAL ECONOMIC SYSTEM.

3. FRANCE - THE FRENCH STATEMENT BEGAN BY EMPHASIZING IMPORTANCE IT ATTACHES TO USE OF MODERN ANALYTICAL METHODS IN ARRIVING AT A RATIONAL NON-AUTARKIC ECONOMIC ORDER, THE NEED TO RESPECT NATIONAL INDEPENDENCE WHILE SUBSTITUTING ORGANIZED INTERDEPENDENCE FOR FORCE, AND THE NEED FOR ESTABLISHING CODES OF CONDUCT FOR MULTINATIONAL ENTERPRISES SO THAT THEY COULD RETAIN NEEDED FLEXIBILITY OF OPERATION WHILE MAKING A MORE POSITIVE CONTRIBUTION TO THE GROWTH OF THE WORLD ECONOMY. IT WAS ECOSOC RESPONSIBILITY TO MAKE SURE THAT AN INTELLECTUALLY RIGOROUS APPROACH WAS TAKEN TO THE SPECIAL SESSION'S ACTION PROGRAM WHEREBY ALL UN ORGANS WOULD BE REQUIRED TO PROVIDE AN INPUT TO THE ACTION PROGRAM. HOWEVER, IT IS EQUALLY IMPORTANT TO MAKE FULL USE OF THE WORK ALREADY DONE OR IN PROCESS SUCH AS THE INTERNATIONAL DEVELOPMENT STRATEGY AND UNCTAD'S CHARTER OF ECONOMIC RIGHTS AND DUTIES. IN THIS WAY IT WOULD BE POSSIBLE TO CONCENTRATE ON THE REALLY CRUCIAL PROBLEMS SUCH AS COMMODITY MARKETING AND MONETARY REFORM AND NOT BECOME BOGGED DOWN WITH PERIPHERAL ISSUES. STATEMENT CONCLUDED WITH REQUEST FOR SUPPORT

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 GENEVA 04326 081926Z

FOR TWO FRENCH RESOLUTIONS WHICH THEY WOULD CIRCULATE, THE FIRST HAVING TO DO WITH THE ESTABLISHMENT OF A TEMPORARY COMMITTEE TO COMPILE INFORMATION ON THE ORGANIZATION OF COMMODITY MARKETS, WITH PARTICULAR EMPHASIS ON ENERGY RESOURCES, AND THE SECOND WITH THE ESTABLISHMENT OF AN ECONOMIC SURVEY GROUP CHARGED WITH PUBLISHING INFORMATION ON THE PRICES, PRODUCTION, CONSUMPTION AND GLOBAL INVENTORIES OF BASIC COMMODITIES.

4. SWEDEN - THE SWEDISH STATEMENT NOTED THAT SWEDEN EXPECTED TO REACH THE 0.7 PERCENT IDS CONTRIBUTION TARGET BY 1975 AND IN ADDITION, THEY PLANNED TO INCREASE THEIR BILATERAL DEVELOPMENT ASSISTANCE BY \$20 MILLION. OTHERWISE THE STATEMENT WAS A GENERALIZED INVOCATION OF THE NEED FOR IMPLEMENTING THE SPECIAL SESSION'S PROGRAM OF ACTION.

5. ECLA - ENRIQUE INGLESIA, EXECUTIVE DIRECTOR OF ECLA, MADE A STATEMENT FOR ECLA. HE POINTED OUT IT WOULD BE UNWISE, BECAUSE OF THE MULTITUDE OF UNDERTAIN- TIES, TO PROJECT A CONTINUATION INTO THE FUTURE OF THE LA REGION'S FAVORABLE PERFORMANCE IN 1973. THE BREAK- DOWN OF THE MONETARY SYSTEM, INFLATION AND SHORTAGES, ESPECIALLY PETROLEUM, WERE CITED AS MAJOR UNDERTAIN- TIES. HE SAW SOLUTION OF THESE LARGELY IN THE HANDS OF DC'S (BUT WITH LDC PARTICIPATION). TURNING TO SPECIFICS, HE NOTED THAT THE ABILITY OF LA COUNTRIES TO COPE WITH THE PRESENT SITUATION VARIED AMONG: THOSE WITH ABUNDANT OIL RESOURCES; THOSE IN A GOOD POSITION BECAUSE OF PRIOR DIVERSIFICATION AND INDUSTRIALIZATION; AND THOSE IN SERIOUS TROUBLE BECAUSE NONE OF THESE CONDITIONS PREVAILED. INGLESIA MADE A PLEA FOR IN- CREASED REGIONAL ECONOMIC COOPERATION, CITING, FOR EXAMPLE, NEED FOR GREATER IMPORTANCE TO BE GIVEN PRO- DUCERS' AND SELLERS' ORGANIZATIONS, NEED FOR COUNTRIES WITH BALANCE OF PAYMENTS SURPLUSES TO INVEST IN REGION; AND CITED FUTURE STAGES OF INTER-AMERICAN DIALOG RECENTLY INITIATED BY FOREIGN MINISTERS AS AN OPPORTUNITY. WITH REGARD GLOBAL INITIATIVES, HE CITED RESULTS OF THE 6TH SPECIAL GA AS A STEP FORWARD, AS WELL AS THE SEVERAL INTERNA- TIONAL CONFERENCES AND NEGOTIATIONS NOW UNDERWAY, OR TO UNCLASSIFIED

UNCLASSIFIED

PAGE 04 GENEVA 04326 081926Z

BE UNDERWAY SOON; BUT HE SUGGESTED THAT GREATEST GLOBAL EFFORT SHOULD BE IN AREA OF RAW MATERIALS, WITH EMPHASIS ON ENSURING STABLE MARKETS AND JUST REMUNERATION.

6. ITALY- IN SHORT, WELL BALANCED SPEECH, ITALY MADE FOLLOWING POINTS: INTERNATIONAL ACTION IN TODAY'S CRISIS SHOULD NOT NECESSARILY MEAN CREATING NEW INSTITUTIONS; REGARDED BROADENING OF MUTUAL CONSULTATIONS A GOOD SING (GATT, HUMAN SETTLEMENTS, MONETARY REFORM, FOOD, POPULATION), AS WELL AS FACT THESE ADDRESSED TO SPECIFIC PROBLEMS; MNC QUESTION NEEDS MORE IN-DEPTH STUDY BY ITALY, ALTHOUGH IT CLEAR THAT ONE GUIDING PRINCIPAL SHOULD BE NEED FOR EACH GOVERNMENT TO MAKE ITS OWN DECISIONS.

7. USSR - SOVIETS OPENED WITH REVIEW OF PRESENT POLITICAL SITUATION: POLITICAL CLIMATE IMPROVING; GRADUALLY MOVING TOWARD SECURING A PEACE IN EUROPE; ACTIONS UNDERWAY TO STRENGTHEN RELATIONS BETWEEN US AND USSR; APRIL MEETING OF SOCIALIST COUNTRIES PUSHED FORWARD ISSUE OF DETENTE. TURNING TO OVERALL ECONOMIC SITUATION, SOVIETS RAN DOWN USUAL PROBLEMS (INFLATION, UNEMPLOYMENT, POVERTY, ETC.), ARGUING THAT THE INTERNATIONAL COMMUNITY MUST ELABORATE A POLITICAL APPROACH TO ECONOMIC DEVELOPMENT: IMPLEMENTATION OF DISARMAMENT, INCLUDING NUCLEAR; EXPANSION OF TRADE AND SOCIAL COOPERATION; EQUAL PARTICIPATION OF LDC'S IN THE PROCESS; ABOLISHMENT COLONIALISM, IMPERIALISM, ETC.; APPROPRIATE TREATMENT OF MNC'S. FINAL PART OF SPEECH CITED EXAMPLES OF HOW SOVIETS HELPING WORLD SITUATION: BILATERAL TRADE AGREEMENTS WITH FRG, ITALY AND US; BROAD-BASED ECONOMIC ASSISTANCE TO LDC'S. CONCLUDED BY SAYING THAT THEY PREPARED TO SUPPORT RESULTS OF 6TH SPECIAL GA PROVIDING PROGRAMS ARE PRAGMATIC.

8. INDIA - INDIAN STATEMENT MADE BY MINISTER EXTERNAL AFFAIRS. HE SAW SPECIAL GA AS SETTING STAGE FOR DELIBERATIONS 57TH EXOSOC; AND SAW SPECIAL GA AS RECOGNITION OF NEED FOR RICH AND POOR TO WORK TOGETHER FOR SOLUTIONS. HE LAMENTED FACT THAT RESULTS SPECIAL GA DID UNCLASSIFIED

UNCLASSIFIED

PAGE 05 GENEVA 04326 081926Z

NOT HAVE FULL SUPPORT OF DC'S, AND MADE PLEA FOR DC'S TO GARNER UP THE NECESSARY POLITICAL WILL. FURTHER WITH REGARD TO SPECIAL GA, HE MADE POINT OF STATING THAT THE SPECIAL PROGRAM WAS FOR EMERGENCY MEASURES (AS OPPOSED TO DEVELOPMENT MEASURES), AND SAW MINIMUM REQUIREMENT OF MAINTAINING 1972-1973 IMPORT LEVELS FOR MSA'S FOR AT LEAST 12 MONTHS, WITH PROGRAM TO GET UNDERWAY IN AUGUST. WENT ON TO CHIDE GA AD HOC COMMITTEE FOR FAILING TO COME UP WITH CONCRETE MODALITIES FOR OPERATING FUND. THIS ABOUT ONE-HALF OF SPEECH. SECOND HALF TOOK UP WIDE RANGE OF TOPICS. WITH REGARD UNCTAD DELIBERATIONS TO ESTABLISH RELATIONSHIP BETWEEN IMPORT AND EXPORT PRICES, HE CHIDED DC'S FOR RELUCTANCE TO MAKE COMMITMENTS, SUGGESTING THAT DC ARGUMENT THAT THIS QUESTION BEST HANDLED IN MTN NEGOTIATIONS UNDER GATT IS OFF-BASE, SINCE THESE NEGOTIATIONS NOT YET OFF THE GROUND. WITH REGARD GSP, HE LAMENTED FACT THAT LDC GAINS MAY BE OFFSET BY PREFERENTIAL ARRANGEMENTS AMONG DC'S AND POSSIBLE REDUCTION INDUSTRIAL TARIFFS FOLLOWING MTN NEGOTIATIONS; AND LANENTED FURTHER THAT GSP NOT YET FULLY OPERATIONAL. WITH REGARD MONETARY REFORM, HE EXPRESSED HAPPINESS THAT LDC

PARTICIPATION HAD BEEN CONCEDED WITH ESTABLISHMENT C-20.
WITH REGARD COLLECTIVE ECONOMIC SECURITY, MAIN POINT
WAS THAT THERE MUST BE DELIBERATE, PREFERENTIAL TREAT-
MENT FOR LDC'S. WITH REGARD REORGANIZATION OF UN, HE
WARNED AGAINST EXCESSIVE CENTRALIZATION.

9. MEXICO - SUMMARY MEXICAN SPEECH TO BE IN NEXT
REPORTING TELEGRAM. DALE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, INTERNATIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974GENEVA04326
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740181-0510
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740769/aaaachdl.tel
Line Count: 231
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 28 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 OCT 2002 by ThomasVJ>; APPROVED <15 JAN 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: 57TH ECONSOC - JULY 5TH, GENERAL DELEGATE ITEMS 4, 6, 7, 8, AND 14 (D)
TAGS: EGEN, ECOSOC, UN
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005